

**NATIONAL ASSOCIATION
of CORPORATION TRAINING
BULLETIN**

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Rewarding Employes For Continuous Service

At the moment labor turnover is not the dominant factor in personnel problems that it was during the war and early reconstruction period, nevertheless with the return to normal times this problem will emerge and again assume its importance with special reference to decreased efficiency and low quality and quantity of production. To what extent can continuity of service on the part of employes be secured by offering extra rewards for steady work? Information on this subject has been gathered and is here presented to BULLETIN readers in the hope that it will prove helpful in finding a solution for, or at least minimize the problem.

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National Association of Corporation Training

Headquarters, 139 East 15th Street, New York, N. Y.

Functions

The functions of the Association are threefold: to develop the efficiency of the individual employee; to increase efficiency in industry; to have the courses in established educational institutions modified to meet more fully the needs of industry.

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From the By-Laws—Article V.

Section 1.—An admission fee of \$100.00 shall be charged all new class "A" members in addition to annual dues.

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CHANGING INDUSTRIAL CONDITIONS WHICH AFFECT MANAGEMENT RESPONSIBILITY

No movement of the present period is destined to become a factor of greater importance in changing industrial conditions than the purchase and ownership of stock by employes in corporations by which they are employed. Of the 151,000-odd stockholders of record of the American Telephone & Telegraph Co., more than half are women. The average number of shares held is about 29. The employes of the system have to a large extent become stockholders. Over 24,000 employes are stockholders of record, and about 42,000 additional employes have for a year and a half past been paying for stock on an installment plan. Within a short period this stock will be paid for, and this company will have in excess of 66,000 employes who are stockholders. What is going to be the relationship of the management of this company to these employe stockholders?

To mention only two other companies, take the case of the General Motors Corporation. On July 31 the stockholders in this company had increased to 65,324, of which number a considerable proportion are employes of the corporation.

Nearly 80,000 employes of the U. S. Steel Corporation own stock in that company.

The movement is spreading rapidly. It has reached the railroads, and to some extent the commercial organizations of the country. It is only a question of a few years until the employes of large corporations will own a considerable proportion of their company's securities.

In the past it has been felt that the first obligation of management was to the stockholders; obviously a dual obligation is now being created. It is not a Utopian dream to visualize in the not distant future the great corporations of this country not only owned but in large measure controlled by those who do the actual work, mental and physical, in carrying on the corpora-

tion's activities. It is these changing conditions that bring the personnel problem to the front. The day is not far distant when there will be universal recognition of the need of a well-organized and efficiently administered personnel division in every progressive business organization.

"EDUCATIONAL ENGINEERS" TO DEVELOP MEN

Writing in *Forbes Magazine*, Mr. Henry H. Tukey, Educational Director for the Submarine Boat Corporation, develops the theory that industry and commerce need "educational engineers." The thought that seems to be in Mr. Tukey's mind, and which he has admirably developed, is that industrial training is a management rather than a pedagogical problem. This contention is well recognized. Industrial training is a management problem, and will be treated as such in the development of training departments to meet industrial needs. To quote from Mr. Tukey's article:

"If it is to be the function of the educational engineer to apply the laws of learning to the development of man power in industry, what are to be his problems?

"He is not to be regarded as an 'efficiency expert,' for, from all observations in the past, such men have concentrated too strongly upon the development of automatic manipulation without adequate regard to what the average man carries between his shoulders. Yet it is not strange that modern production engineers have passed so lightly over the educational side of the development of skill, even though the principles of producing efficiency are so easily applicable to learning efficiency. That Taylor, Emerson, Galbraith, et al., in planning shop layouts according to sequence of producing operations did not consider instruction layouts for the development of higher skill according to sequence of learning operations, is only attributable to their unfamiliarity with the fundamentals of the learning process.

"The problems of the educational engineer are somewhat comparable to those of the production engineer. He must recognize plant conditions, analyze them to determine the kinds of training needed, establish aims which conform to the needs, select methods suited to aims and training conditions, analyze trade content and arrange in suitable learning order, establish methods of ascertaining learner's progress, continually measure effectiveness of training results, estimate and provide records of

training costs, promote and maintain the plant interest in training, differentiate between straight production and real training; these and many others are among the hard 'nuts' he must crack.

"The educational engineer's work may involve the training of new workers, the rearrangement of workers in accordance with adaptability, upgrading the manipulative ability of unskilled and semi-skilled, or it may include educational development on the purely technical side. He may have a set of salesmen to train; a group of stenographers, or messengers, or janitors; he must be ready at all times to apply the laws of learning to any job in the plant and to select and train instructors to observe those laws.

"The educational engineer should endeavor to anticipate training demands, else, when his supply is ready, the need will have passed, and his training will not function. He must know of shortages in the labor market. He must recognize trades that are kindred to those utilized in his plant and be prepared to convert men from those trades. In the shipyard, we converted structural steel workers into shipworkers, blacksmiths into angle-smiths, car-riveters into ship-riveters, stone cutters into chippers and caulkers, by building onto their original trade foundations.

"He must analyze trades and branches of work into their component learning parts and arrange these parts into a convenient order of learning according to the factors of difficulty involved. In our plant we found that the average foreman frequently started inexperienced riveters on high scaffolding or in confined places. Reversing the order we started them on terra firma, with plenty of room, and nothing to think about but the tool.

"Our educational engineer must know the actual effect of the efforts to his department upon production and upon labor turnover. He must know what his training costs are at all times and the causes of their variation. He must continually check up his results in terms of dollars and cents and specific educational progress. If he deals in generalities he has no license to the term 'engineer.'

"His scope is unlimited; he has the entire organization at his disposal from messenger to general manager. All are interested in self-improvement, and all will be interested in his educational programs, if he makes them attractive by meeting a specific need. If he plans properly, he need not seek, for he will be sought.

"Where are we to obtain our educational engineers? What kind of training is involved? Where shall the training be given?"

Proceeding to answer his own question, Mr. Tukey says: "We must look to industry to supply men who are experienced in industrial practices, conversant with its educational shortcomings, and have the capacity to visualize and successfully inaugurate training programs." But are such men to be found in industry? Will they not have to be developed, for the present through the business administration courses of the universities, but ultimately through the educational laboratory which will be established by this Association?

There is a difference between the theory of the man who has never met a payroll, who is academic in temperament and in training, and the practical administrative ideas of the man who has come up through a business training, but who has added to his business understanding a knowledge of academic methods for training men.

It is obvious that industrial and commercial organizations will never secure exactly the training that is necessary to best serve their educational needs until business men thoroughly grounded in the practices of business, and with an understanding of economic requirements are given an opportunity to acquire also a knowledge of academic methods for training their fellow man.

This is exactly what the Association proposes ultimately to provide—a training laboratory with an extensive research department gathering from industry and commerce their exact needs, bringing this information to this laboratory, and there with proper faculty training those who are to go into the industries as educational directors, and also those who are to go into the business administrative divisions of the universities, there to train the rank and file who are equipping themselves for business careers.

Mr. Tukey in his article also dwells upon present conceptions of the training departments in industry, their efficiency, and how they are regarded by industrial managements:

"In advancing the proposal for an educational engineer one naturally assumes the importance of the problem of training in industry. After forming this assumption, one is often surprised to find organizations that claim to be heart and soul in favor of training and who point with distended chests to a 'dinky' little training department, tucked off in a corner, holding two-

hour sessions per week for a few apprentices. Often he who has charge of the training has little conception of his real duties, either educationally or industrially. He heads up to somebody, who heads up to somebody else, who finally heads up to the boss, who often has little real conception of what his training organization is attempting to do.

"The fault lies in the fact that the educational job is too often improperly represented in industry. It is not sufficiently characterized by the type of men who contribute heavily to the success of industry. It needs thinking men with perseverance and grit, who will recognize the distinctiveness of its problems, the essentials of their solution, and who can make these things not only apparent to the man at the top, but also to the rank and file with whom they must collaborate. Industry now tends to combine these activities with others that, by a stretch of imagination, savor of its classification. Industrial training, it must be emphasized, is not primarily a personnel problem; it is a production problem first and foremost and any personnel benefits resulting are secondary and a by-product of the training.

"Handling the problem of training in industry requires skill and training that are separate and distinct from the qualifications required to handle other industrial problems. The possibilities of the work, both for good and for bad, are so far-reaching that the greatest care must be exercised in selecting men who will engineer its trend. The importance of the problems must not only be realized; it must be acted upon and placed in the front rank where it justly belongs. Those who regard it as a 'fad of the moment' are on the wrong track.

"Industry is a productive agency; commerce is distributive. Training is essential in both—varying only in content and method."

OPINIONS OF SUCCESSFUL MEN

FUNDAMENTAL FACTORS IN THE PRESENT STATE OF TRANSFORMATION

The present epoch is one of these critical moments in which the thought of mankind is undergoing a process of transformation.

Two fundamental factors are at the base of this transformation. The first is the destruction of those religious, political, and social beliefs in which all the elements of our civilization

are rooted. The second is the creation of entirely new conditions of existence and thought as the result of modern scientific and industrial discoveries.

The ideas of the past, although half destroyed, being still very powerful, and the ideas which are to replace them being still in process of formation, the modern age represents a period of transition and anarchy.

It is not easy to say as yet what will one day be evolved from this necessarily somewhat chaotic period. What will be the fundamental ideas on which the societies that are to succeed our own will be built up? We do not at present know. Still, it is already clear that on whatever lines the societies of the future are organized, they will have to count with a new power, with the last surviving sovereign force of modern times, the power of crowds. On the ruins of so many ideas formerly considered beyond discussion, and today decayed or decaying, of so many sources of authority that successive revolutions have destroyed, this power, which alone has arisen in their stead, seems soon destined to absorb the others. While all our ancient beliefs are tottering and disappearing, while the old pillars of society are giving way one by one, the power of the crowd is the only force that nothing menaces, and of which the prestige is continually on the increase. . . .

The entry of the popular classes into political life—that is to say, in reality, their progressive transformation into governing classes—is one of the most striking characteristics of our epoch of transition. The introduction of universal suffrage, which exercised for a long time but little influence, is not, as might be thought, the distinguishing feature of this transference of political power. The progressive growth of the power of the masses took place at first by the propagation of certain ideas, which have slowly implanted themselves in men's minds, and afterwards by the gradual association of individuals bent on bringing about the realization of theoretical conceptions. . . .

Today the claims of the masses are becoming more and more sharply defined, and amount to nothing less than a determination to utterly destroy society as it now exists, with a view to making it hark back to that primitive communism which was the normal condition of all human groups before the dawn of civilization. Limitations of the hours of labor, the nationalization of mines, railways, factories, and the soil, the equal distribution of all products, the elimination of all the upper classes

for the benefit of the popular classes, etc., such are these claims. . . .

The writers who enjoy the favor of our middle classes, those who best represent their rather narrow ideas, their somewhat prescribed views, their rather superficial scepticism, and their at times somewhat excessive egoism, display profound alarm at this new power which they see growing; and to combat the disorder in men's minds they are addressing despairing appeals to those moral forces of the church for which they formerly professed so much disdain. They talk to us of the bankruptcy of science, go back in penitence to Rome, and remind us of the teachings of revealed truth. These new converts forget that it is too late. Had they been really touched by grace, a like operation could not have the same influence on minds less concerned with the preoccupations which beset these recent adherents to religion. The masses repudiate today the gods which their admonishers repudiated yesterday and helped to destroy. There is no power, Divine or human, that can oblige a stream to flow back to its source.

There has been no bankruptcy of science, and science has had no share in the present intellectual anarchy, nor in the making of the new power which is springing up in the midst of this anarchy. Science promised us truth, or at least a knowledge of such relations as our intelligence can seize: it never promised us peace or happiness. Sovereignly indifferent to our feelings, it is deaf to our lamentations. It is for us to endeavor to live with science, since nothing can bring back the illusions it has destroyed.—From the book *"The Crowd—A Study of the Popular Mind,"* by Gustav Le Bon.

THE TREND OF LABOR LEGISLATION

At the beginning of 1916 the United States possessed for its half-million civil employees in case of injury "the worst compensation law in the world," and no protection at all for their old age or invalidity. There was no Federal legislation against child labor, and little against excessive hours in railroading. The country had never had a unified system of public employment offices. Restoration to earning power of industrial cripples had hardly been thought of. Agitation for universal workmen's health insurance was just beginning. Regulation of shop conditions by administrative orders had still to win wide acceptance. Such important matters as the legal minimum wage, hour

legislation for men in general employments, and even workmen's compensation for accidents, were trembling in the scales of the United States Supreme Court.

The four and a half intense years which have intervened were not without their quickening influence in the field of labor legislation. A new sense of the worth, perhaps also of the power, of the ordinary man and woman of toil has shot through the thinking of lawmakers. The result is written large upon the pages of the statute books. The United States government has now a compensation law for its own employes—enacted in 1916, a year of a presidential election—which stands as a model to the states and to other countries. Railroading has been put upon the basic eight-hour day. Federal restrictions on child labor, based on the power to regulate interstate commerce, were hardly declared unconstitutional when they were reenacted under the taxing power. For a period during the war a national employment service was extended throughout the country. Finally, 1920, another presidential year, resulted in the adoption by Congress of a Federal civil service retirement act and of a measure for government aid to states adequately providing for the retraining of industrial cripples. Meanwhile, Supreme Court decisions have sustained hour legislation for men, minimum wage laws, and several different types of workmen's compensation acts.

In the same four and one-half years the states have not been idle. Twelve new commonwealths enacted workmen's compensation laws, leaving by 1920 only six which had not taken this first step in a comprehensive social insurance program. Commissions to study health insurance were established in eleven states, and in New York a health insurance bill backed by the trade union movement was passed by the Senate. Three new states adopted the eight-hour day for women, and five jurisdictions enacted minimum wage legislation. Other progressive laws, as well as amendments gradually strengthening existing statutes, and a general tightening up of administrative supervision, have followed one another rapidly. Despite a few setbacks, the trend has been strongly toward more thorough protection of the lives and welfare of the wage-earning population.—From the preface of the book "Principles of Labor Legislation," by John R. Commons and John B. Andrews.

COMBATING RADICALISM WITH ENLIGHTENMENT

There are more than five million aliens in the United States,

95 per cent of whom are kindly disposed to America. The remaining 5 per cent comprise the radicals, whose souls are lashed by breezes of doctrines, emanating from continental Europe, writhing in the hand of doctrinaires who treat a starving and bankrupt patient. The radicals have a well organized speakers' bureau, a many tongued press, and a fervency in attack which cannot be paralleled by any constructive and conserving agency interested in aliens. If Bolshevism and I. W. W.-ism are to be successfully combated, America needs a program of enlightenment, an army of volunteer workers, a wide-awake press, and a zeal for American democracy akin to apostolic fervor. The radicals have long had the right of way in communities made up of foreign-speaking peoples. We should match this with a propaganda of enlightenment as to what the principles of American democracy are, how it operates, and what the prospects are for a successful future.—Peter Roberts, Ph.D., author of "The Problem of Americanization."

EVOLUTION AND THE TREND OF INDUSTRY

Ideal Democracy, whether of government or industry, means, not less specialization but fuller cooperation. The science of biology, of evolution, proves that our best defense against the harmful influence of specialization is complete social industrial cooperation. Class contention, whether of labor or capital, hastens and deepens the ill effects of specialization.

It is a pleasing popular notion that the huge material progress of the last generation is to continue indefinitely. Folks think, as they did in the fur coat and silk shirt days of the war, that there can be no end to the almost vertical material advance. But as Professor E. G. Conklin recently said in "The Direction of Human Evolution," a book from which every American business executive and engineer can gather knowledge of profound value, "Again and again in the evolution of animals and plants extreme specialization in certain lines has brought about rapid progress, but has led to a lack of stability and adaptation and has ended in extinction. There is good reason to believe that the same is true of the evolution of human society. Extreme development of ideals of organization and efficiency or of liberty and equality, leads to an unbalanced state of society. Stable progress consists in advance along cooperative lines."

The rushes of advance by specialization are correctly represented by the upper half of a parabola. The parabola rises at

first almost vertically, then swings over into an approximation to the arc of a circle, and flattens finally into a line almost horizontal. Now, in 1921, we are started on such a horizontal line of material, industrial development. The wonder days are over. We must lay our fur coats and silk shirts away in tar paper with moth balls, and settle down on a straight-away course of industrial plugging. Material, industrial progress has become static.

When one movement in evolution becomes static, a new movement surges up. It is clear that the evolution that will occupy us the next half century is of democracy; democratic expression of the mind in government, society and industry. And that if we provide guidance in accordance with the constructive phases of evolution, the movement will lay an orbit of constructive cooperation. But if we say it is no affair of ours, and permit matters to drift, the result will be the steady decline which experience proves inevitable. "Insistence on personal freedom and on the rights of individuals has gone far toward weakening the bonds of union and destroying cooperation," says Conklin. "Unquestionably the further evolution of society must lie in the direction of greater cooperation, and any system of organization which exalts individual freedom to the detriment of social union and harmony must go under in the struggle for existence. The greatest problem which confronts all types of government is the problem of social cooperation. It was the failure of cooperation rather than of specialization which led to the downfall of almost every great civilization of the past, and it is this danger especially which confronts the modern world.

"We are finding that the pioneer ideals of personal liberty and independence are incompatible with the requirements of a populous country and a well organized society. Personal freedom must be subordinated more and more to social freedom, and pioneer society must give place to the more highly organized state in which increased specialization and cooperation are the companion principles of progress."—H. W. Jordan, Social Engineer of the Semet-Solvay Company.

THE EVOLUTION FROM THE MACHINE TO A MAN

Yoder, who helped to make tires, caught the idea that he had something inside of his head, which if awakened would enable him to get a raise in pay. The kindling of that hope was the beginning of an evolution in Yoder. He asked many questions,

studied the lessons, and drank in everything the teacher said. Finally he became enthused with an ambition to be a salesman. The teacher encouraged him. Before he could even give a demonstration, Yoder had to overcome his reluctance about talking to the other fellow. But he did it.

What is the significance of this incident? Its significance is that somewhere in that organization was an official who knew the value of education and was seeking for men like Yoder. The class and the teacher were merely incidental. The man who had the brains to hire the teacher is the one who really counts.

Education has a positive cash value—both for the employer and the employe. But it must be the right kind of education. It must deal with big controlling principles, and with the technique of making and selling and buying a commodity.

The best investment you can make is to develop the man power of your organization. Increase the ability of your men to see, think, generate new ideas and evolve new plans, and they will make more money for themselves; they will make more money for you. What does it profit if you put money into improved machinery and larger buildings if you neglect the one single factor that makes the building and the machine worth while—the man who operates the machine? And the same principle applies in all directions—buying, selling, shipping, collecting, borrowing, and managing. Narrowed right down to a fine point, your success depends upon your skill in doing the very thing the writer is discussing—skill in working through other men. Without doubt dozens, if not hundreds, of men in every big business or industry could vastly increase their efficiency by the right kind of study.—Albert Sidney Gregg.

WHAT ARE THE LIMITATIONS OF CAPITAL AND LABOR?

We hear much of the rights of property and labor. Is the owner of property justified in managing it to augment his own profits, regardless of the general welfare? And is the laborer justified in curtailing production if it be to the detriment of the community at large? And if not, what are the proper limitations?

It is not my object here to express or imply answers to such questions, but to point out that they require answers; because the tranquillity and welfare of our country depend upon their

being answered aright, and no man, whatever his position in life, can wholly free himself from the responsibility of the opinions he holds about them.

A. LAWRENCE LOWELL, President, Harvard University.

What does it profit if you put money into improved machinery and larger buildings, and neglect the factor that makes machinery and buildings worth while?—ALBERT SIDNEY GREGG.

Two things are necessary. On the one hand, machinery for gathering information and providing the right kind of instruction; on the other hand, machinery for catching capable men and turning them to account.—HUXLEY.

Membership on the Part of Employees in Westinghouse Relief Department Now Compulsory

At a recent meeting of the Executive Committee of the Works Joint Conference Committee of the Westinghouse Electric & Manufacturing Company, the question came up as to the policies of the Relief Department of the company. It was stated that it frequently happens that employees who have neglected to join the Relief Department come to grief through sickness or other cause, and when this happens, such employees not only regret not having joined, but are more or less resentful if they are not taken care of during their period of illness or misfortune. The question therefore arose as to whether or not membership in the Relief Department should be made compulsory on the part of all employees. After going carefully into the matter a vote was taken, which resulted in a unanimous decision on the part of the Executive Committee of the Works Joint Conference Committee that all employees be compelled to take membership in the Relief Department. It came out during the discussion that it is the new employees, and more particularly the office force, who have been neglectful in providing for periods of illness and other misfortune.

R. H. Macy & Company Graduates Executives

The third class in the Executive Training Course of R. H. Macy & Company was graduated in June. The class was addressed by Messrs. Jesse and Percy Straus, members of the firm. The object of the instruction to this class is to increase the efficiency of present executives, and to afford those ambitious to rise to positions as executives an opportunity for better training.

REWARDING EMPLOYEES FOR CONTINUOUS SERVICE

The Problem of Labor Turnover, Which Was So Prominent in the Years Prior to the World War, and Especially During the War and the Early Stages of the Reconstruction Period is for the Moment Quiescent, but it Will Return with Normal Conditions, and Continuous Effort Must be Made by the Managements of Industrial and Commercial Organizations to Find a Solution Which, While it May Not Entirely Eliminate the Problem, Will Reduce it and Prevent Much of the Inefficiency, Discontent and Unrest Inevitable When Labor is in a Constant State of Flux. Progress Has Been Made, and the Record of this Progress is Compiled and Published Herewith for the Benefit of the Association's Members and Other Bulletin Readers.

The prominence of labor turnover in any list of economic problems has been somewhat obscured for the moment by current business conditions which tend to make men hold to their jobs with a tenacity not to be looked for in normal times. But with the return to prosperity which, however delayed, is bound to recur in its turn, labor turnover will once more emerge with all its uncanny power to plague the employer with decreased efficiency, low quality and quantity of production, and hence an unsatisfactory balance sheet, and to infect the workers with the spirit of discontent and unrest inevitable when labor is in a constant state of flux.

The extent of the influence of labor turnover can be proved in a hundred ways, but one of the most significant is the manner in which countless other industrial problems are almost indispensably linked with it. Thus we have the question of rewards for continuous service, which owes its existence as a problem entirely to the fact that many managers have seized upon it as a possible stabilizer of a shifting and unreliable working force.

The Standard Reward

Of course, by right of custom, the established continuity of service reward is granted upon retirement from the service in some form of pension or service annuity. But for the purposes of this article only those rewards will be considered which are given prior to the retirement of the employe. Among these pre-retirement rewards are the following:

- (1) Automatic salary increases.
- (2) Cumulative insurance policies.
- (3) Profit-sharing.
- (4) Vacations with pay.
- (5) Extended annual vacations ("Earned days").
- (6) Exemption from company rules.
- (7) Promotion.
- (8) Membership in company societies.
- (9) Stock subscription.
- (10) Absence credits.
- (11) Annual supplementary compensation.
- (12) Guaranteed employment.
- (13) Sick and death benefits.
- (14) Service decorations.

Continuity of Service

One company has thus defined its idea of what constitutes "continuity of service":

"The following rules have been adopted to protect an employee's service record against breaks on account of sickness, accident, leave of absence, etc.:

"Employees of the company and employees of companies the property and business of which had been acquired by it prior to January 1, 1920, and employees of companies the property and business of which have been or may be acquired after January 1, 1920, if so specially designated by the Executive Committee, shall be considered employees of the company.

"An employee of the company shall be presumed to be in its service up to the time of issuance of discontinuance notice dropping his or her name from the salary or payroll, at which time eligibility to any of the welfare plans shall automatically cease except by action of the Executive Committee or Board of Benefits and Pensions.

"Continuity of service shall be considered unbroken and full service credit given employees for all time covered by formal leave of absence on full or part pay, except that pensions shall be computed upon the time of actual service.

"Continuity of service shall be considered unbroken, but credit shall not be given for periods in which no actual services have been rendered:

1. If a formal leave of absence without pay has been granted.

2. If salaried or payroll employees are re-employed after having been laid off on account of reduction in force, termination of special work or idle mills, provided the lapse of time between date of dismissal for such reasons and the date of application for further work does not exceed one year.

3. If breaks in service are cured by action of the Board of Benefits and Pensions after re-employment.

"Time covered by payments in lieu of notice or for extra compensation shall not count in the calculation of active services for which employees may receive credit.

"In unusual cases where employees suffer absence by sickness or from extraordinary causes, and either fail or are unable to communicate such reasons for absence to their plant or office and later return to work, they may have their past service record protected, after thorough investigation, by the issuance of formal leave of absence after the fact, but credit shall not be given for the period of absence.

"These regulations shall govern the settlement of all questions which may arise regarding continuity of service or length of actual service, except that where they conflict with previous rulings covering the period prior to June 30, 1920, they shall not impair any benefit to which an employee was entitled under the former ruling, and any cases already settled under former rulings shall not be affected by these regulations."

Another company has evolved a somewhat different set of rules governing the computation of employee service. Length of full time service is computed as follows:

1. Vacations and other absences not exceeding the rate of 24 working days in one year, holidays, lay-offs of one week or less in duration, and absences of less than one working day shall not be deducted from length of service; but all other absences from work shall be deducted.

2. The service of home workers and such other employees as do not normally work the full standard hours of their particular class of work shall not be counted.

3. Time shall be computed in full months only (and for this purpose a month shall be considered as having 25 working days), and any fraction of a month remaining at the end of a year shall be disregarded.

4. Only absences which constitute resignation or discharge shall be considered as interrupting continuous service.

5. In computing accumulated service, the service of any employee industrial partner prior to the day on which he became an employee shall be counted as two years and no more, and the service of an employee industrial partner whose rights have been suspended, between the date of suspension and the day on which his rights as an employee industrial partner were restored, shall be counted as one year and no more.

6. In determining length of service in years prior to 1920 the lengths of service used for the purpose of distributing the

75th Anniversary Fund shall be employed and shall not be subject to amendment.

Automatic Salary Increases

The value of the automatic salary increase or general raise, as it is sometimes termed, has been the subject of limitless disputes. Arguments against it are of course based in large measure on the inability of the practice to attain the result aimed at, namely, to ensure to the faithful, loyal, efficient employe who has served continuously throughout a specified term of years a reward commensurate with his efforts on behalf of his employer. Unfortunately continuity of service by no means necessarily implies either loyalty or efficiency. Much too frequently the sole motive which keeps a man on his job is sheer inertia, a reward for which is the last word in absurdity.

In any event the utility of the automatic raise in the way of a reward for continuous service is practically confined to large corporations in which the merits of the individual worker are most easily overlooked.

Even so, however, the worker himself is not likely to consider his extra effort recognized by a reward which comes equally to his lazier or less able fellow workman, and with the progress in personnel methods, with the resulting lessening of the probability that the employe deserving of special recognition will be "lost in the shuffle," the automatic raise will gradually become less and less in evidence.

A certain well known New York company has, however, largely overcome the drawbacks inherent in the average automatic salary increase plan by grading all its positions together with the attendant salaries in accordance with the importance of the work. Then the employe is rated on the basis of efficiency, attendance, conduct, etc., and the scale of raises in salary provides for increases only on this service rating. In other words, an employe cannot obtain the maximum for his particular position without his rating warrants it. The maximum in the case of junior clerks is reached at ten years, although the maximum is approximated at five years. In the senior grades the maximum is reached at thirteen years. Two clerks, each with the same service, but with different ratings, would be paid different salaries.

Supplementary Compensation

In its essential principle not greatly different from the automatic general raise is the practice of a number of companies of

recognizing the value of continuous service by giving employees a supplementary compensation, generally in the form of a percentage of their wages or salary. Along this line one company has evolved what it calls its "Merit Pay Plan." All payroll employees who have been continuously employed by the company for two years or more are eligible for rewards based on their length of service and wages as follows:

After 2 years' continuous service—5% of regular wages.

"	5	"	"	"	10%	"	"	"
"	10	"	"	"	15%	"	"	"
"	15	"	"	"	20%	"	"	"

In order to secure these rewards it is essential that employees do their work in a careful, workmanlike and satisfactory manner; that they obey the orders and instructions of those in authority; and that they carefully observe at all times the rules of the company.

It is expressly declared by the company that these rewards are given voluntarily, as an evidence of appreciation of careful, diligent and satisfactory services, and that the company reserves always the right to withhold them temporarily or permanently from all or from any individual.

Another large corporation has what it calls its "Graduated Scale of Service Wage." This Service Wage is paid to all employees of the company from the President down through every rank. This Service Wage is computed on actual earnings every three months and is paid in cash, as follows:

1%	after 3 months' continuous service.			
2%	" 6 "	"	"	"
3%	" 9 "	"	"	"
5%	" 1 year's	"	"	"
7%	" 2 "	"	"	"
8%	" 3 "	"	"	"
9%	" 4 "	"	"	"
10%	" 5 "	"	"	"
11%	" 10 "	"	"	"
12%	" 20 "	"	"	"

Another company has developed a "Wage Dividend Plan." This plan is based on the assumption that dividends to holders of the company's common stock up to 10 per cent are the equivalent of the employee's fixed wage, and that cash dividends in excess of that figure may be fairly considered as extraordinary. After

taking into consideration various factors entering into the matter, the company decided to fix the percentage of the wage-dividend as 35 per cent of the percentage of the extra cash dividends paid to holders of common stock which is divided by five and distributed to the employees in accordance with their connection with the company for the previous five years.

For instance, the extra dividends to holders of common stock may amount to 30 per cent; then 35 per cent of 30 per cent is 10.5 per cent which, when divided by 5, gives 2.1 per cent, or the percentage of each of the five previous years' wages that the employee gets in addition to his regular wages. In other words, if the employee has been working for the company for the full five years, he gets 2.1 per cent on the four years' total wages, and so on down to one year, when he gets 2.1 per cent on his first total year's wages.

A "Service Bonus," based on length of service and yearly salary, is paid to non-selling employees of a manufacturing concern on the first of August for the year ending July 31, according to the following schedule:

First Year's Service—1% of yearly salary.

Second " " 2% " " "

Third " " 3% " " "

Fourth " " 4% " " "

Fifth " and over 5% " " "

Another manufacturing concern has worked out a somewhat different scheme. In calculating the additional compensation, 5 per cent is added each year for 10 years to the actual amount of wages paid when calculating the basis on which additional compensation is to be distributed. The table on the opposite page indicates the method of this percentage.

A packing company rewards its long term employees with a bonus in gold at Christmas, the amount being based on the number of years of service and awarded at the close of five year periods.

A mining company grants each Christmas a long service award made up by multiplying one-tenth of the man's weekly salary by the number of years in the company.

Cumulative Insurance Policies

The cumulative insurance policy, increasing in value with every year of service up to a certain point—generally five years—is already a very popular method of rewarding continuous service, and it is growing more so.

	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	
Div. 1	100%	106%	112%	118%	124%	130%	Less than one year
Div. 2	105	111	117	123	129	135	1 year or more, but less than 2 years
Div. 3	110	116	122	128	134	140	2 years or more, but less than 3 years
Div. 4	115	121	127	133	139	145	3 years or more, but less than 4 years
Div. 5	120	126	132	138	144	150	4 years or more, but less than 5 years
Div. 6	125	131	137	143	149	155	5 years or more, but less than 6 years
Div. 7	130	136	142	148	154	160	6 years or more, but less than 7 years
Div. 8	135	141	147	153	159	165	7 years or more, but less than 8 years
Div. 9	140	146	152	158	164	170	8 years or more, but less than 9 years
Div. 10	145	151	157	163	169	175	9 years or more, but less than 10 years
Div. 11	150	156	162	168	174	180	10 years or more

To the average workman a life insurance policy in any adequate amount is practically prohibitive by reason of its expense, on the one hand and very frequently on account of his age or physical disqualifications. Hence rewards for continuous service in the shape of insurance—especially when increased with each year of service—should prove the strongest kind of incentive to remain in the service of the company awarding it. In cases where the insurance is quite definitely a length of service reward the plans provide for the payment of sums varying with the years of service until the maximum is reached, which is \$1,000 in the majority of cases. In two instances, however, the maximum has been placed at \$5,000.

For example, one company offers a life insurance policy gradually increasing in value after one year of service from \$600 to a maximum of \$1,500.

Another company insures each employe after three months' service for \$300. One year from that date the insurance is raised \$100 and annually thereafter until a maximum of \$1,200 is reached after the employe has been with the company seven years or more. An employe who has been with the company for some time and then leaves, if afterward re-employed, must begin again at the bottom of the scale. Extended absence on account of sickness is of course excepted.

A third unusually generous plan has been worked out as follows:

Original amount after 3 months in service.....	\$ 500.00
Amount after 6 months in service.....	750.00
Amount after 1 year in service.....	1000.00
Amount after 2 years in service.....	1250.00
Amount after 3 years in service.....	1500.00
Amount after 4 years in service.....	1750.00
Amount after 5 years in service (maximum).....	2000.00

Guarantee of Employment

A Minnesota company has a most effective type of reward for length of service. Employment is assured employees in proportion to the length and faithfulness of their service as far as business conditions permit. The guarantee expiring May 30, 1921 read as follows:

"To those of our employees who have, on May 29, 1920, been with us continuously three years or more, and who have not in that time voluntarily left our employ, we guarantee three hundred (300) working days—that is, the opportunity to work three hundred days in the year May 30, 1920 to May 29, 1921; and to those of our employees who have been continuously in our service two years on May 29, 1920, we guarantee two hundred sixty working days—that is, the opportunity to work two hundred sixty days in the year May 30, 1920 to May 29, 1921. It is understood that overtime and Sunday work shall not be included as constituting a part of the three hundred or the two hundred sixty days: Provided, however, that the days during which the mills are not running because of fire, strike, riot or disaster, shall be deducted from the above 300 or 260 day periods."

This working agreement is still in force.

Promotion

Certain companies have announced a policy of giving all employees of the company an equal opportunity to advance in position and salary according to length of service when in accord with proved abilities. Whenever a vacancy occurs in one department it is filled, if possible, by promotion or transfer from among employees of the same grade but of lower salary, or from the next lower grade. In making these promotions or transfers the individual's record of length of service as well as efficiency and adaptability to the work of the vacant position are taken into account.

Vacations with Pay

Among industrial concerns the custom is fairly general to give vacations with pay—usually, in the case of salaried employees, for a longer period than are vacations to others. In the case of establishments granting vacations to all, it is very frequently the practice to allow two weeks to salaried and one week or 10 days to all other employees.

The method of determining the length of vacation with reference to the length of service is of considerable importance and several schemes for the solution of the problem have been reported. In addition to the plan of specifying a definite length of service of six months, one year, or two years before vacation is granted, some establishments take into consideration the date of appointment with reference to the summer vacation period. This method is reported especially by stores which allow summer vacations to all clerks on the rolls previous to such dates as the 1st day of September, January, or March. Other establishments determine the length of time to be granted on a cumulative basis, at a certain rate per month for the time employed, usually with the requirement that the maximum vacation shall not exceed two weeks. This latter method of averaging the length of the vacation period seems to be a satisfactory one.

The vacation plan of a Brooklyn company is illuminating in this connection: The vacation schedule is effective as of May 1 each year, and the time allowed the various classes of employees is as follows:

Employees on weekly or monthly salary are allowed one day for each month in the employ of the company during the year prior to May 1, or a maximum of two weeks' vacation.

Foremen, operating men and chauffeurs on hourly pay are allowed one-half day for each month in the employ of the company during the year prior to May 1, or a maximum of one week.

Wiremen, electricians, helpers, electrical workers, laborers, etc., on hourly pay are allowed one-quarter of a day for each month in the employ of the company during the year prior to May 1, or a maximum of three days.

Officers and heads of departments are not included in the above schedule.

Extended Annual Vacations

Examples of vacation plans involving an unusually extended period of service follow:

A New York Company

- One week, if employed prior to March 1st.
- Two weeks, if employed prior to January 1st.
- After ten years' service, three extra days.
- After fifteen years' service, one extra week.
- After twenty years' service, two extra weeks.

A Massachusetts Company

Employees on the hourly basis receive vacations as follows:

- (a) One week's vacation with pay during the summer of their tenth year of service.
- (b) Two weeks' vacation with pay during the summer of their fifteenth year of service.
- (c) Two weeks' vacation with pay, and pay for all holidays for all employees of 25 years' service or over.

A Buffalo Company

Two weeks with pay after one year's service; six weeks after twenty-five years with the company, including a substantial bonus.

A New York Company

After one year of service, one week of vacation; after fifteen to nineteen years of service, fourteen working days' vacation; after twenty years or longer service, eighteen working days.

A Connecticut Company

The ordinary vacation is two weeks, but any person who has been with the company five years is given two extra days. When he has been ten years with the company he receives four extra days; after fifteen years, six extra days; after twenty years, eight extra days; after twenty-five years, ten extra days; and after thirty years, twelve extra days, which is the longest vacation allowed for any length of service.

Exemption from Company Rules

All large corporations and many small ones evolve in the course of their development, a complicated system of rules and regulations concerning the conduct of the force with which it is the business of each employe to acquaint himself as early as possible after enrollment. During practically every working moment the employe is consciously or unconsciously in touch with one or more of these company rules from the time when he reports for duty in the morning to the hour when he leaves. However loyally obeyed many of these rules—more especially those re-

flecting on the employee's sense of personal liberty, responsibility, or integrity, as punching time clocks, restricted use of the telephone, a doctor's certificate of illness, compulsory enrollment in various company activities, submission to periodical physical examination, etc.—all legitimate and above criticism when fairly administered, but frequently irksome, especially to the mature worker, who feels that his dignity and honesty are being lightly regarded. Therefore a number of companies have made it a practice, as a reward for continuous and faithful service, to exempt employees who have been with the company for a period—usually twenty-five years or longer—from all rules of the company. There is no record that the privilege has ever been abused.

Absence Credits

An insurance company has evolved a system of absence credits, namely, an allowance of a certain number of days for unavoidable absence without reduction or with but a fraction of reduction in the day's pay. Absence credits for unavoidable absences are allowed as follows:

- Under 5 years' service, 12 days per year, at two-thirds pay
- Over 5 years but less than 10, 12 days at full pay
- Between 10 and 15 years, 15 days at full pay
- Over 15 years, but less than 20, 18 days at full pay
- Over 20 years, but less than 25, 21 days at full pay
- Over 25 years, 24 days at full pay.

Decorations

Continuous service is encouraged and recognized by a number of companies by other awards than money. In addition to its pension system, a Connecticut company gives to employees who have completed twenty-five years of continuous service, gold medals attached to watch fobs. Attached to these fobs are gold bars for every additional five years of completed service. Employees who have served five and ten years continuously are awarded bronze and silver service pins. The gold medals and bars are quite elaborate and expensive, while the actual cost of the five and ten year service pins is comparatively small.

This company puts itself on record as quite convinced that such service rewards, though their value may not be great, are fully appreciated by the employees and that service awards in that form are responsible to a considerable extent in reducing the company's labor turnover.

An insurance company has formed an association of men who

have served a specified number of years. Upon completion of five years of service, entrance is had to Class "A" a bronze badge and a certificate being bestowed; at ten years, Class "B," and a silver badge and certificate; at fifteen years, Class "C," with gold badge and certificate; at twenty years, Class "D" and an elaborate illuminated certificate and a gold and diamond locket. After that the classes continue at each five year period, and are marked with certificates, and the locket is altered each time to show on the reverse side the number of years' service. Some ceremony is observed in bestowing the certificates, and this is emphasized as the class also increases in extent of years. Membership in the association carries with it some prestige, and directly benefits in increased vacation, a day being added to the two weeks of regular vacation with Class "A," three days with Class "B," a week with Class "C," and two weeks with Class "D."

The Saturday morning before vacation is also conceded to member employes, often enabling them to reach their destination before Sunday—an especially appreciated concession with the women employes.

A large department store has inaugurated the custom of awarding a gold watch to any employe having twenty-five years of continuous service. In the case of one employe who has been with the organization for fifty years, a large dinner was given and the presentation made of a fifty thousand dollar Liberty Bond. However, as the management observes with some humor: "This has been our only fifty year employe, so we are not prepared to say whether this will be the precedent to be followed on all occasions. The recipient in this case had risen from errand boy to one of the most prominent buyers of our organization."

Profit-Sharing

In a sense—although the reservation may be regarded by some as presenting a distinction without a difference—a share in corporate profits is usually offered rather as an inducement or an encouragement to long and loyal service rather than as a reward for service already performed. At all events, and practically without exception, all plans, involving the division of the profits of a corporation, whatever the form such division assumes, are based upon length of service. For example, one well known company has framed the following regulation governing its division of profits plan:

"The Employes Industrial Partnership Fund of any year shall

by March 15 of the following year, be distributed among the employees who were employee industrial partners on January 1 of the year for which distribution is made. All such employees shall be classified into six groups on the basis of length of accumulated full-time service as indicated in the following table. The individual members of each group who have worked the full year shall receive a uniform sum which shall bear the ratios to the sums received by the individual members of each of the other groups that are also indicated in the following table.

Term of full-time service on January 1 of the year for which distribution is made.	Index numbers or "points" indicating relative amounts received by the individual members of each of the several groups.
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GROUP

1	Less than five years.....	10 points
2	5 years to 10 years.....	12 points
3	10 years to 15 years.....	15 points
4	15 years to 20 years.....	18 points
5	20 years to 25 years.....	21 points
6	25 years and over.....	24 points

"Under this provision the amount that one employee will get compared to another will depend upon the groups in which they are placed by length of service, and upon the number of "points" which these groups have. The points, however, are not fixed sums. They will vary in value from year to year depending upon the amount to be distributed. But they are basic units or index numbers which indicate how much an employee in one group shall receive as compared with an employee in another. They indicate, for example, that employees who have had over 25 years of employment will receive two and four-tenths times as much in any year as employees who have had less than five years.

"In order to determine how much any employee gets in any year it is first necessary to determine the value of a point in that year and then to multiply that value by the number of points belonging to the group in which the employee is. To make clear how this is done, we give the following example:

"Assume that there are:

	<i>Term of continuous full time service</i>
100 Employee Ind. Partners.....	Less than 5 years

50	Employee Ind. Partners.....	from 5 to 10 years
25	Employee Ind. Partners.....	from 10 to 15 years
15	Employee Ind. Partners.....	from 15 to 20 years
10	Employee Ind. Partners.....	from 20 to 25 years
5	Employee Ind. Partners.....	over 25 years

"Assume also that the total sum to be distributed is \$20,000.

"In order to find the value of a 'point' in this year, we must first find the total number of points to be received by all employees as follows:

Group	No. of Emp.	Service	Group Pts.	Total Pts.
1	100 Emp.	less than 5 years	at 10 pts.	1000 pts.
2	50 Emp.	from 5 to 10 years	at 12 pts.	600 pts.
3	25 Emp.	from 10 to 15 years	at 15 pts.	375 pts.
4	15 Emp.	from 15 to 20 years	at 18 pts.	270 pts.
5	10 Emp.	from 20 to 25 years	at 21 pts.	210 pts.
6	5 Emp.	over 25 years	at 24 pts.	120 pts.
Total Points				2575 pts.

"By dividing the total number of points into the fund available for distribution as stock, we get the value of the individual 'point,' which is \$7.76.

"Knowing the value of the 'point,' it is only necessary to give to each employee in each group the proper number of point values as follows:

Group	Points	Value per Point	Amount received by each member of group	Shares of Stock	Cash
1	10	at 7.76 equals	77.60 dist. as	7 shares and	\$7.60
2	12	at 7.76 equals	93.12 dist. as	9 shares and	3.12
3	15	at 7.76 equals	116.40 dist. as	11 shares and	6.40
4	18	at 7.76 equals	139.68 dist. as	13 shares and	9.68
5	21	at 7.76 equals	162.96 dist. as	16 shares and	2.96
6	24	at 7.76 equals	186.24 dist. as	18 shares and	6.24

"We have thus provided that the amount received shall vary according to length of service because we feel that while differences in ability will be covered by the weekly wage, the older employees have an intangible extra value that cannot be paid for in wages, but should be recognized. Furthermore, this plan gives the employee most when he needs it most, for as a person grows older his expenses increase, but his wages do not increase proportionately.

"No employee shall participate in the distribution of any year whose full time service or whose full time service and sick leave in that year amount to at least six months. If he is entitled to

share but has worked less than one year, he shall receive a share proportionate to the number of full months actually worked.

"Any employe industrial partner who leaves the employ of the company after six months' service, but before the end of the year, shall be given a certificate indicating the number of months of service for which he is entitled to share, and his share shall be sent to him at his last known address."

As a rule, service during a year is sufficient to entitle the employe to become enrolled among the profit sharers.

Stock Subscription

The relation between the privilege of employe stock subscription and length of service are to all intents and purposes the same as those connected with profit-sharing, save that the privilege of subscribing for company stock on the easier terms thus prescribed is more frequently permitted after a shorter term of service.

Moreover, all sorts of inducements are offered by numerous companies to induce employes to hold their stock for given periods, which practice functions indirectly as a reward for length of service, since disposal of employe stock nearly always is concurrent with resignation from the company's service.

The following stockholding plan is distinctly cumulative in effect:

In respect to purchasing common stock, all employes of one year's service are entitled to buy four shares a year at a price considerably less than asset value; all employes of three years' service are entitled to buy eight shares a year; all employes of five years' service, twelve shares.

The stockholding plan of an Ohio company also has a unique cumulative feature:

"Our plan provides for the purchase by employes of company stock equal in amount to the annual wage of the employe. Ten per cent of the employes' yearly earnings are paid by the company toward the purchase of stock. This is increased yearly by one per cent until the eleventh year, and thereafter 20 per cent is paid."

Sick and Death Benefits

Of course, only indirectly, in a sense that a certain period of service is always required before an employe is eligible to share in the benefits provided or partly financed by companies to compensate so far as possible for sickness and death, may sick and death benefits be considered in the light of compensation for

length of service also. Employees of companies which provide the entire fund from which disability credits are allowed are generally required to serve for a longer period before eligibility for sick benefits is established and before death payments are made than is the case with members of associations only in part financed by the employer.

Membership in Company Organizations

The majority of companies insist that a preliminary period of service shall precede membership in any personnel association exclusive of those devoted to purely recreational activities. In most cases a term of employment from six months to a year is all that is required for membership in benefit associations, industrial representation bodies, etc., but when the associations are closely linked up with thrift activities—savings and loan plans, sick and death benefits, profit-sharing and stockholding, employee insurance, etc.—the preliminary term of service may extend to a number of years.

Moreover, many concerns have organized a species of club—already referred to in a different connection—membership in which is based entirely on length of service. For example, a manufacturing club has what is known as the "Quarter Century Club," made up of men who have been here twenty-five or more years. There are about sixty-five members in the club now.

This club was organized as an honorary proposition entirely, but it has grown to mean more than that, because during the last few years when the company was paying bonuses, the members of the Quarter Century Club received 2 per cent on their wages in addition to the bonus received by others. The entire bonus was based on length of service, the bonus beginning after one year's service and increasing 1 per cent for each additional year until five years was reached; then 2 per cent was added when the employe went into the Quarter Century Club.

Another company has what is called a "Twenty-Year Club." Those belonging to this club have worked continuously for the company twenty years, with these exceptions: Illness, either of individual or in family necessitating absence; leave of absence upon advice of physician; absence on company service. Members of this club are paid what is known as "straight time;" that is, no time is lost for any reason whatsoever. The member is paid year in and year out regardless as to whether he is working or not.

THE PENNSYLVANIA SYSTEM ENLARGES ITS DEATH BENEFITS

At the Request of its Employees, the Various Boards of Directors of the Roads Comprising the Pennsylvania System Have Amended the Regulations of the Voluntary Relief Department So That Employees May Provide for Death Annuities Ranging from \$1,000 to \$5,000.

Announcement is made by G. L. Peck, Vice-President in charge of personnel, of the Pennsylvania System, that the response to requests from employees, the regulations of the Voluntary Relief Department have been amended by the various Boards of Directors of the companies comprising the System so that employees may subscribe to additional death benefits up to three times the amount of the death benefit of the class in which they hold membership at present. Under the former regulations the amount of death benefits to which a member of the Relief Fund could subscribe varied from \$250 to \$1,250. The new regulations permit employees to subscribe for amounts ranging from \$1,000 to \$5,000.

The Voluntary Relief Department at present numbers about 190,000 members. It was instituted on February 15, 1886, for the purpose of establishing a fund known as the Relief Fund to which employees voluntarily subscribe and from which they are paid certain amounts when they are disabled by accidents or sickness or their beneficiaries in case of death. According to the amount of their monthly pay, the employees becoming members of the Relief Fund are divided into five classes, each of which carries a certain amount of death benefit in multiples of \$250. It is the amount of these death benefits which have been raised under the amended regulations.

Under the old regulations, employees could subscribe to death benefits in the respective classes amounting to \$250, \$500, \$750, \$1,000 and \$1,250. Under the amended regulations they may subscribe to the following additional amounts in the respective classes, \$750, \$1,500, \$2,250, \$3,000 and \$3,750. The rate for each additional death benefit of \$250, taken at not over 45 years of age, is 30 cents; taken at 45 years of age and not over 60 years of age, 45 cents, and taken at over 60 years of age, 60 cents.

Since the Relief Department was established in 1889, total subscriptions by employees, for the benefits to be derived from the Relief Fund, amount to more than \$80,500,000 and total disburse-

ments, principally for death, sickness and disability benefits, amount to more than \$73,800,000. Last year the Relief Fund reported receipts totaling \$5,474,666.44 and disbursements, principally for benefits to members, totaling \$4,621,525.17. Since the Relief Fund was founded the companies comprising the Pennsylvania System have contributed more than \$10,000,000 as the operating expenses of the fund.

Bonus Plan Announced by Bearings Service Co.

The Bearings Service Co., of Detroit, Mich., which acts as the service department of the Timken Roller Bearing Co., the Hyatt Roller Bearing Co., and the New Departure Manufacturing Co., has announced its 1920 bonus plan covering allotments to employes as of December 31, 1920.

All employes who were associated with the company for a continuous period of six months or more, prior to the date of distribution were eligible to participate in the plan, according to A. K. Hebner, president of the company.

Approximately 2 per cent of the net sales for the calendar year of 1920 were set aside as the bonus fund. Many provisions of the plan are original with the Bearings Service Co. The scheme provides for the holding of bonus allotments in a trust fund which pays the participant interest guaranteed at the rate of 6 per cent per annum on the principal sum. A given participant is privileged to withdraw at his own option, 20 per cent of his bonus each year, or he may elect, at a greater benefit to himself finally, to receive payment of his bonus allotment in full at the end of five years, together with a proportionate share of all forfeitures and excess earnings.

Participants are divided into four groups, according to their length of service and personal efficiency ratings. Their participation in the allotment is in proportion to their classification. The plan applies to all employes of the company, both in the general offices at Detroit and in the company's branches, of which there are 33, located in the principal cities of United States and Canada.

The company has found that this plan, which is now in its second year of operation, tends to encourage its employes in the habit of thrift and, of course, benefits the concern through the building up of a loyal and efficient personnel.

TAKING THE EMPLOYEE INTO THE MANAGEMENT'S CONFIDENCE

As it is Recognized That Best Results Can be Secured Through Understanding and Cooperation There is a Tendency on the Part of Managements of Business Organizations to Take Employees into Their Confidence and Explain Orders, Methods, Business Conditions and Other Topics in Which There is a Mutual Interest.

The tendency to take employees into the confidence of the management of business organizations is becoming more and more manifest. Company publications received by the BULLETIN contain many articles written either by executives or by some other member of management, and give information as to profits, business conditions and distributions of company income, and operating and working conditions.

A company publication of the Eastern Manufacturing Co., which makes high grade papers, contains a lengthy article as to why it is impossible to open certain of the windows of the factory, which some employees felt should be done. There is a complete explanation of the ventilating system installed by the company, which gives a much lower temperature within these particular rooms during the hot days of summer than is recorded outside the building. To open the windows would be to allow dirt to drift in, which would materially reduce the excellence of the company's product. This is but one instance of many which has come under our observation recently.

Mr. Jesse C. Shepard, of the Shepard Electric Crane & Hoist Co., recently explained at considerable length why the management of that company keeps a careful record of each employee:

"As a mechanic improves his skill, these records show that fact. If an employee is regular in attendance the fact becomes a permanent record. If a man working on production turns out more work in a day than the average workman, this is known as is also the fact if he regularly is unable to equal average production. These facts are taken into consideration when making wage adjustments.

"There are other records kept for other purposes. Upon taking a physical examination, if the company physician feels that an employee is doing work which is apt to impair his health, the man is immediately transferred to some other class of work which the physician feels he can do safely.

"A record of a man's dependents is useful in case of his death,

if the company wishes to know to whom they shall make payment of death benefits and the balance of any wages which may be due him. This is also taken into account along with other considerations if it becomes necessary to lay off employees.

"Once or twice a year, foremen are asked to turn in a written statement of such characteristics as ability to get along without undue friction with his fellow employees; his general attitude toward the organization, that is, whether such employee seems to be whole heartedly trying to boost or whether they are habitual knockers; also whether the individual is careful, industrious and reliable. The foreman is also asked if in his judgment, the employee is doing the work he is best fitted to do, and what, in the foreman's judgment, is the prospect of his progressing. These reports are revised by the assistant superintendent and the employment department so that the final report does not represent just the idea of one man who may possibly be prejudiced for some personal reason.

"Because we are located in a small village, it is especially necessary to encourage such organizations as a band, athletic organizations and those other community enterprises which make Montour Falls an especially desirable place for us all to live in. All other things being equal, active members of such organizations stand in a more favorable situation than they would if they did not take such an interest in these things.

"In the long run, a personal interest in one's work, a spirit of team work with all fellow employees and a consistent effort to fit oneself for a position requiring greater skill or knowledge is bound to pay. Records have long memories!"

As secretary of the company's Production Club, Mr. Shepard gives the following account of the organization and purposes of the club!

"At a meeting of the Production Club Thursday afternoon, fifty-six Shepard men who had made application for membership were voted into the club. By unanimous vote, each of the members of the board of directors of Shepard Electric Crane & Hoist Company were voted in as honorary members of the Production Club. This makes a total membership of seven honorary members and one hundred and sixteen active members. The membership will be limited to one hundred and twenty-five active members. There will be a waiting list of those who wish to join, from which names will be selected by a majority vote of members in case of vacancy in the club membership.

"Does it seem sort of foolish to you for the Shepard Company to make such strenuous efforts to induce all of its employes to fit themselves for more important positions? Whether you agree or not as to the wisdom of the policy, take advantage of the opportunities offered. At first thought it would seem a very unwise policy for the Shepard Company to have provided during the past five years, a night school for all those employes who were willing to take advantage of the opportunity to increase their knowledge; also the course for sixty-eight of its employes in Modern Production Methods, and to try to encourage at least one hundred and twenty-five of its employes, through the Production Club, to secure a thorough knowledge of economic and technical facts, and a thorough acquaintance with the details of the working of the Shepard would seem as though the Shepard Company was running the risk of raising the ambition of a large percentage of workers to a point where they would become dissatisfied to stay in Montour Falls, because all important positions in the company appear to be filled at the present time.

"If the Shepard Company expected to stay about its present size forever, then surely it would be courting disaster to awaken the ambition of its employes and make them dissatisfied to stay on the same work they have learned to do so well. The company does expect to grow and to need many men who know a great deal about the business. There will be keen competition among the employes for all new positions opening in the future. Every man must keep up to date if he even holds his present job. Knowledge of work, ability to handle men, ability to cooperate with other members of the organization to secure desired results, the elimination of personal characteristics, which prevent a man from working whole heartedly with the other employes, will be necessary.

"Men who took the course in Modern Production Methods, found it helpful in accomplishing these results.

"It is the purpose of the Production Club to carry on its work to this end." •

Penalizing the Thrifty

There are 1,250,000 dependent wage-earners in the United States, because they could not, or would not, save during their working days.

The support of these dependent wage-earners costs the sum of \$220,000,000 a year.—*Kodak Magazine*.

CHAIRMAN TRIPP ADDRESSES WESTINGHOUSE TECHNICAL NIGHT SCHOOL

Speaking at the Sixteenth Annual Commencement Exercises Held in June, Mr. Guy E. Tripp, Chairman of the Board of Directors of the Westinghouse Electric and Manufacturing Company, Gives Facts About the Company's School, and Differentiates between the Students of the Company School and the College Student.

Mr. Guy E. Tripp, Chairman of the Board of Directors of the Westinghouse Electric and Manufacturing Company gave the annual commencement address to the graduates of the company's Technical Night School and selected as his subject "Higher Ideals of Life." Before commencing his discussion on the subject proper, Mr. Tripp gave information about the company's school.

Facts About the School

The Technical Night School is an important educational institution; and while I do not intend to take much of your time in detailed description of its general work, I would like to give you a brief outline of what it has done this year.

There are 104 graduates. Twenty-six men have completed their entire four-year engineering course. Thirty-five men will have completed the preparatory course and will be ready to take up further work in engineering. Thirteen foreign born men have completed the two year course in English and Americanization. Thirty women have completed courses in either commercial subjects or in sewing.

During the past year 1,400 students have enrolled in the school, approximately 93% of whom are employes of the Westinghouse Electric and Manufacturing Company.

Those who have completed the course have given up three evenings a week during nine months of the year outside of working hours in order to better prepare themselves for their life's work. In addition to this they have in general spent an equivalent amount of time in the preparation of their school work.

Many former graduates have already come into responsible positions with the companies in which they are employed and it is probable that the majority of those who are graduating in this year's class will ultimately serve in positions of responsibility.

A number of factors have contributed toward the success of the Westinghouse Technical Night School in addition to the spirit and enthusiasm of the students. The Board of Trustees, which

formulates plans and policies, has been untiring in its efforts; the faculty, which now consists of seventy-five members, mostly chosen from various departments of the Westinghouse Company, is not to be excelled in any educational institution; the cooperative local Public School Boards, nine of which are helping students from their districts in the payment of their tuition charges at the school, and the foremen and officers of our company who have encouraged their employes to prepare themselves for better service and have aided the school financially.

All these elements would, however, labor in vain unless they were supported by the earnest work of the students, and it is gratifying to those who give their time and effort to the school to see how faithfully the student body has done its work.

The Difference Between the Technical Night School Student and the College Student

Here then we have a well-conducted college for men and women which equips them to go as far as their natural capabilities will permit them to go. It opens the door of opportunity and that is all that Harvard, Yale or any other college can do; but it is equally true with you as with the graduating class in any other college that you have not finished your education; you have, in fact, just begun it.

I know this is a time-worn phrase and that it is less necessary to remind this graduating class of it than it would be if I were speaking to a class in any of our large colleges. In that case I should feel like stating it over and over again because I have seen many graduates of universities who, believing they were possessed of all knowledge, had to endure a period of discouragement and disillusionment before they fully accepted the truth of that same time-worn phrase.

Most of you will happily escape that uncomfortable probationary period because of the different conditions under which you have acquired your education—conditions which in my opinion also tend to the soundest possible intellectual development.

You probably have clearer ideas of the relation of your education to your life's work than does the average college graduate. With him or her an end has come; a period of life has been closed. His family may even be a little tearful when they go to his graduation just as though a happy time had passed forever and disagreeable, hard work now for the first time confronted

the young man. He is told that he is now educated and that the time has come for him to begin his fight for success, therefore most of these young men believe that they must fight, they don't know what, but nevertheless they must fight something or somebody in order to achieve success.

Now the only thing which they can and must fight is themselves. They must, in fact, begin the fight which you have already made while you have been acquiring your education. In that respect they begin where you leave off.

They must learn self-restraint, which is an entirely different kind of restraint than that which is imposed by college rules.

They must supply their own energy, which is not the kind which is displayed under pressure from the college faculty.

They must learn that success is never attained by mere wishing and only very rarely by chance, but that it nearly always comes through hard work.

Of course, there are many college men who have learned these lessons just as you have and in the same manner, nevertheless the greater number pass through the experience to which I have referred.

You have learned all these things even before you entered here or you would not have entered, therefore you have an advantage which ought to save you some valuable time.

Every man and woman in this school has sacrificed much of the time which youth naturally wants for pleasure in order to attend these evening sessions and that means that they have trained themselves to self-restraint.

Almost or quite every one of you has worked at your regular task every day and has voluntarily added hard mental work to your daily labor, which shows that you possess more than usual intellectual energy.

All of you desire to advance in life and realize that you must deny yourselves and work hard to accomplish it, and that is ambition based on a sane foundation.

All of these and similar things form a good ground-work upon which to build your future life and I am convinced that the students in this school are more fortunate in these respects than are the graduates in most of our large colleges.

Necessity for Continued Self-Education

If it is true you have a year or more advantage over many others when you graduate from this school, that doesn't mean

that you should stop and let the other man catch up with you. There are still many things that you can learn. For example, you should cultivate your character, learn to respect the opinions of others, and think for yourselves.

Your education has strengthened your ability to think for yourselves, but to acquire the habit of respecting the opinions of others is a far more difficult matter than it seems to be, and I doubt if book education helps much in that direction, or rather it comes more as a result of judicial thinking than it does from book education.

Everybody has to go through humiliating experiences of being cock-sure of something and then finding out that the other man was right after all, but common sense and judicious reflection will constantly reduce the number of these occasions and strengthen your powers of judgment wonderfully.

As to character building; the qualities which form the foundation for character are simple ones, such as common sense, honesty, industry, self-respect, respect for the opinions of others and so on; and I am constantly impressed whenever I meet men of distinction that the thing which you notice first is that they possess to an unusual degree these simple fundamental qualities.

Opportunity for Men of Character

Nowhere in the world are there such opportunities for men of this stamp as there are in the United States. In this country the highest positions in life are absolutely open to everyone and, as a matter of fact, they are now occupied to a very great extent by men of humble beginnings. Not only is this the country of opportunity, but now is the time when men of understanding and clear thinking are needed as never before.

There have never before been presented so many tremendous problems calling for a correct solution as there are at this moment, and no one should be so immersed in his own personal matters as to fail to give intelligent consideration to his duties to society. You will not fulfil your duties as citizens unless you enlist yourselves to some extent in the public service on the constructive side.

The forces of destruction and obstruction are constantly with us, and always will be, because they enlist in their ranks all the discontented ones; all those who find it difficult or obnoxious to submit to that self-restraint and discipline which are necessary to maintain an orderly social condition in a country like ours.

It is easier to tear down something than to build it up. There is more excitement to be had in destroying than in creating, and excitement makes a strong appeal to young people; but, looking at it solely from the selfish personal standpoint, no one achieves real success in following a destructive or obstructive policy. Some little brief notoriety may result, but when the returns are all in and the account has been balanced, a man of ability who has devoted his life in this direction finds failure and disappointment at the end.

If there are wrongs in society which cannot be cured by constructive means, it is probably better to endure them than to pull down some social institution and very likely create a still greater wrong.

Demand for Young Men

I am optimistic enough to believe that all our fundamental difficulties can and will be lessened through constructive work, and I am sure that you will do your part in the years to come. You must do it because you are young and your life is before you, and upon the young rests the responsibility. Those of us who are getting along in years envy you. We envy you your youth and opportunity. We envy the enthusiasm and optimism of youth. Almost every older man in a responsible position is searching earnestly for a young man to whom he can transfer some of his burdens and responsibilities—a young man in whom he has confidence and whom he thinks will conserve and carry on the work already started; and when a young man begins to rise above his fellows and shows that he has the simple fundamental qualities which I have before referred to, there is more than one bidder for his services.

There never was a time when such a young man with loyal instincts had so many opportunities as at the present time.

I have spent many hours on different occasions in conference with others trying to select young men for responsible positions both within my own company and outside. It is more difficult to find such men than you imagine.

In the first place, while we know that there are many of them, we unfortunately do not know who they are. They have not yet attracted wide enough attention to be known beyond a comparatively small circle.

Then again there are too many who have got a wrong start—a wrong attitude of mind, whose daily actions are based solely

upon selfish considerations. However able such a young man may be, those who are responsible for the selections of important positions fear to run the risk that he would change his outlook upon life and become loyal to a trust for others; therefore much ability is wasted in unsuccessful and ultimately discontented men.

Ordinarily a young man attracts the attention of his elders not because of any one great accomplishment or thing that he does, but because of the thousand little things which he does or says, or does not do and does not say.

I doubt if it would be possible to analyze the processes by which a superior officer finally comes to a conclusion that such a young man is available timber. He has become saturated with that opinion through a thousand different things, and perhaps it is all summed up by saying that, while it is impossible to establish the meets and bounds of those things which go to make up a reliable character, almost everybody without knowing how or when or why he receives the impression, instinctively recognizes such a man when he is thrown in contact with him.

I would rather have a man of ordinary, or even less than ordinary capabilities, in a responsible position, provided he be honest, loyal and industrious, than I would the most brilliant man if he did not possess these qualities, because a man ought not to have a position of trust unless he is trustworthy.

The man for whom we are all searching is the educated man of unusual mental capacity who at the same time possesses trustworthy qualities; and when he is found, he goes far. He will be the kind of man who, when he says, "All right I will do it," has entered into an agreement upon which you may rely with as much assurance as if it had been reduced to writing and attested before a notary public.

I believe this graduating class contains many such young men and women; but if it contained only one, the school has done a distinct service to society when it graduates him.

However, we cannot all be supermen, nor is society divided into only two classes, supermen on the one side and all other men on the other.

There are all grades of men, and there is no such thing as a clear dividing line; they shade off one into the other, and there is always a border region in which a choice is difficult when you are looking for a man for that particular position. That is the reason why the simple traits of character count for so

much; that is to say, there being no choice between two men in mental qualities, the simple fundamental things in a man's personality often turn the scale.

Personnel Activities of the John B. Stetson Company

The John B. Stetson Company has issued a neat little booklet setting forth the personnel activities approved and supported by the company on behalf of its employees. In the very early days of the company, immediately after the close of the civil war, Mr. Stetson saw the need of clear understanding and close co-operation as between the management and the workers. Many of the personnel activities were worked out in Mr. Stetson's lifetime, but have been elaborated upon and added to since his death.

- 1.—Sharing of profits.
- 2.—Company restaurant.
- 3.—Company building and loan association.
- 4.—Bonus plans to encourage efficiency in employees output.
- 5.—Stockownership on part of the employe in company.
- 6.—Other plans for encouraging saving.
- 7.—A cooperative store.
- 8.—Health and recreation features.
- 9.—Rest room and first aid.
- 10.—Factory physician.
- 11.—A dental department.
- 12.—A company hospital.
- 13.—Visiting nurses.
- 14.—Financial aid in time of individual distress.
- 15.—Sick benefits and group insurance.
- 16.—Athletic recreation.
- 17.—Training courses.
- 18.—The Stetson Sunday School and noon day services.
- 19.—Plans for adjustment of complaints and grievances.
- 20.—A factory management committee.
- 21.—A suggestion system.
- 22.—An executive's club.
- 23.—Service annuities or retirement pensions.
- 24.—Annual banquet to employes long in service.

There are now over 300 members of the organization who have been continuously identified with the company for more than twenty-five years.

COMMONWEALTH STEEL CO. CONSULTS ITS EMPLOYEES IN DETERMINING PLANT POLICY

A Remarkable Meeting Was Recently Held on a Sunday Afternoon in the Company's Plant at Which Time President Howard and Other Officials of the Company Took Counsel with Nearly Six Hundred Men Who Have to Their Credit from Five to Seventeen Years of Continuous Service.

On Sunday afternoon, May 16, the employees of the Commonwealth Steel Company who have five or more years of continuous service to their credit, assembled in the commissary of the company's plant and brought with them their wives, and, where desired, other members of their families, that all might hear the message which President Howard delivered and that they might extend to him the counsel that he requested from them. The following information regarding the meeting is taken from a company publication:

"Invitations were sent to nearly six hundred men who now constitute the 5-8-10-12-15 and 17-year classes. As the company is not yet twenty years old, we feel that we have reason to be very much gratified that such a large number of men have been Commonwealthers so long and know from experience what the Commonwealth stands for.

"The meeting on Sunday was the largest of its kind ever held at the plant and the nine hundred or more men, women and children who attended, formed a very representative group. It was a sign of the times that this great body of loyal people should join together in a real Christian Fellowship meeting.

"Probably fifteen or twenty different nationalities were represented, but they formed one group of loyal Americans, devoted to the best interests of the best country in the world. As they all rose and sang America, led by Joe Reidelberger, a distinct wave of patriotic feeling surged through the entire audience. Just as the several ingredients of our steel are merged together in the melting pot and emerge as steel, so the representatives of these different nationalities have been merged together in the great melting pot of American industry and emerged as American citizens with American ideals and American standards.

"It was felt that such a meeting as this, held on Sunday afternoon, should be opened with prayer, and after thinking it over the natural conclusion was that the fitting prayer to use was the

Lord's Prayer, in which all nationalities, races and creeds can unite as it is of universal application and covers everyone under the comprehensive opening words "Our Father." It was an inspiring and serious moment when all the members of this great gathering, led by our General Manager, Mr. Morey, united in repeating the solemn words of this wonderful prayer."

President Howard then gave a definition of "service," and also discussed present business conditions, with special reference to the railroads, from which a considerable portion of the Commonwealth Company's revenue is derived. Mr. Howard also assured the company's employees that

"We all appreciate our splendid Benefit Association in which you all joined together in a most democratic way to secure sickness and accident benefits, in accordance with the program which you understand thoroughly. According to the program, under which the company furnishes the life insurance, it was stipulated that everyone must be working in the plant to receive the benefits but we have had a meeting of our people and have decided to carry this life insurance for you through May and June anyway, and longer if it should be necessary and if the company's finances will permit. It is the desire, I am sure, of every member of this great family to help each other as best we can in times like this.

"There is one matter that I want to talk over particularly with you men and also with the wives, because the women are really the safeguards of our homes and the ones upon whom we all depend. I want to discuss this matter in a bighearted, loving way, he said, for ninety per cent of troubles come from misunderstanding (which is, that we have missed the understanding). It is important that our wives should know and understand these problems that come up. I want to talk to you frankly and lovingly regarding AN EQUAL OPPORTUNITY FOR ALL.

"Let us get a thorough understanding of what AN EQUAL OPPORTUNITY FOR ALL means, and then make it the Commonwealth motto. It means favor or prejudice to none, each man standing on his own character and ability and willingness to work for the big family idea, for what helps one helps all and what harms one harms all. . . .

"Let the requirements for place, position or promotion be measured by something like the following: the character of the man, his ability as a craftsman, his steadiness at work, his law-abiding qualities, his qualities as a good father, husband and citizen, his ability to work safely and to help others be safe."

NEWSY NOTES

The first semi-annual report of the Savings and Loan Association of the Eastman Kodak Company shows assets of \$291,423.73. The association now has 4,870 members.

The BULLETIN acknowledges receipt of a copy of the sixth annual report of the Industrial Hospital of the Scoville Manufacturing Company. Members interested in industrial hospitals will find this report of interest. Copies undoubtedly can be secured by directing requests to the Scoville Company.

Recently the New York Telephone Company offered additional stock to its employees. Seven thousand, six hundred and six took advantage of the offer and subscribed to amount of \$3,134,600. Nineteen and one-half per cent of those eligible to subscribe took stock under this offer.

Fifteen employees of the New York Telephone Company have been granted Vail Memorial Medals for heroism and presence of mind in saving lives. This is an excellent practice, and it is hoped that it will become universal in business organizations.

Armour and Company celebrated "Boys' Week in Industry" at a meeting held in the Chicago gymnasium. P. D. Armour was chairman and Lester Armour the speaker. Every boy in the Chicago office attended with his department manager. They came over to the meeting together, and sat alongside one another. The meeting was thoroughly enjoyed and brought about a closer relationship between them.

The Schenectady Works *News* contains an item to the effect that the General Electric Company has invested \$650,000 in apprentice training, and that the number of apprentices is normally about 350. These figures include all the plants of the company.

During the fourteen months since the Dental Department of the John B. Stetson Company was established, 610 employees have had their teeth examined and 521 have had their teeth put in perfect condition.

Employee Housing Scheme of the American Woolen Co.

The housing project developed by the American Woolen Company for its employees already includes more than twenty-five

hundred one-family homes. They are sold to employees on easy terms or rented to them at attractive figures. More than \$500,000 has already been loaned to employees by the company for the purchase of homes. Under the Wood plan, homes can be built for \$3,700 that no private Lawrence contractor would put up for less than \$5,000. It helped drive out the speculators who have preyed in the past upon the mill towns.

Extensive and generous pension and life insurance plans have been inaugurated as further expressions of equitable treatment of employees.

Schenectady Works of the General Electric Company Establishes a Medical Division

In recognition of the growing need for organized medical service in its Schenectady Works, the General Electric Company has selected Dr. D. Glen Smith of Schenectady to be industrial physician in charge of the recently established medical department of the company.

Dr. Smith is a well-known local physician, and a graduate of Union College and of Johns Hopkins. He will have charge of the General Electric emergency hospital, dispensary, clinics and first aid and will act as chief medical officer of the plant.

Dr. Smith's work is not intended to interfere in any way with the service rendered by other physicians to employees of the company in a private capacity but he will cooperate with them wherever possible.

He will, however, specialize in the larger problems of medicine as applied to industrial service in connection with such large groups of workers as are employed by the General Electric Company.

Under Dr. Smith's direction it is expected that the medical work of the plant will be increased and broadened in its scope and that new clinics will be opened for the study of industrial diseases.

The medical department will come under the supervision of the department of industrial relations.

Continuity of Service at the Lynn Works of the General Electric Company

Out of a normal force of approximately 14,000, there are about 5,000 men and women now employed at the Lynn Works whose service records extend back five years or more.

A Paid Technical Course Offered to High School Graduates

The Western Electric Company is offering a special technical training course to a limited number of this year's high school graduates. These young men will be developed for positions of responsibility in the laboratories and drafting divisions of the company's engineering department. The offer is expected to prove very attractive as the Western Electric laboratories are a great center of research and development in the communication field. The members of the new class will be paid while employed.

The new course is divided into three units, each requiring a year for completion. It covers the fundamental principles of physics and mathematics and their use in the field of telephony. Careful supervision will be exercised in the assignments to work so that the training may be educative in the largest possible sense.

All the instruction, which will take approximately six hours a week, will be given on company time within the regular hours of employment. Naturally the students will be required to do considerable study and preparation at home. The salaries of the young men will be readjusted twice a year and will be based upon their records in the class room and their proficiency in their duties.

There will be no fee for those who take the course. The only expense will be that involved in the purchase of standard textbooks.

Nearly one hundred high school graduates from high schools within commuting distance of New York have already applied for admission. In order to qualify for admission, proficiency in arithmetic, geometry, trigonometry, physics and English is required. The men are chosen on the basis of their achievements in school, and keen interest is evidenced by high school principals, fathers and relatives of the young men in the prospects of the applicants.

Metropolitan Life Insurance Company Graduates a Class in Home Nursing and in Business English

Vice-President Dr. Lee Frankel addressed the graduates of the Metropolitan Life Insurance Company classes in Home Nursing and in advanced Business English. There were forty-three graduates of the Home Nursing class and eighteen in the Business English course. Diplomas were awarded by the company to those who completed the course in English. Dr. Frankel emphasized the interest felt by the officers of the company in the efforts made by employees to improve themselves. Miss Farley, in charge of

the Home Nursing Section of the New York Chapter of the American Red Cross presented the diplomas of the Home Nursing class. Altogether three classes of employes of the Metropolitan Life Insurance Company have graduated in Home Nursing, a total of one hundred and forty-three employes.

The Commercial Value of Cheerfulness and Courtesy

The following suggestion offered by an employe of the Commonwealth Edison Company, Chicago, was the means of starting a cheerfulness campaign, says the Edison "Round Table," a company publication.

"This is an idea that has been absorbed by our people and is now in full swing throughout our company. Of course, the Spirit of Cheerfulness and Politeness (incorporated under the head of Edison Spirit) always has permeated the air in and about our properties, but never before has it been as apparent as it is now.

"But, anyway, it doesn't cost anything to be cheerful and polite, and it sure does bring big returns. Here's Suggestion Number 3683:

"The Commonwealth Edison Company, the most representative public utility, should encourage politeness and cheerfulness among its employes and customers. This inexpensive habit will improve public relations as well as greater efficiency among its employes through a cheerful frame of mind. This condition can be created by a 'Cheerfulness Campaign' conducted through the company 'Round Table' and the cooperation of department heads.

"For example, employes dealing with the public in Customers' Hall and Electric Shops frequently use the expression when approaching customers, 'Have you been waited upon?' or, 'Can I do something for you?' or, 'Next?', or 'Who's first?' and any number of meaningless expressions. It is a known fact that the first impression or the manner of approach many times determines the results. Employes should assume that customers want to be waited upon and first of all bid them the time of the day in a cheerful manner.

"Employes could, in addition, do likewise when meeting or passing one another in the building or on the streets.

"This campaign can be conducted and planned carefully so as to avoid flirtatious cheerfulness which might be taken advantage of by some employes. It can be put across in a manner to avoid ridicule, as this would seriously handicap the work.

"If this cheerfulness can be created, and no doubt it can,

better cooperation will result. It will soon be noticed by the public, with the obvious result."

Employees of Standard Oil Co. of California Become Stockholders

Of the total of 13,000 employees of the Standard Oil Company of California eligible to subscribe to the stock of the company under the stock investment and savings plan, 11,000, or about 85 per cent, have taken advantage of the opportunity, according to figures given out by the corporation. The response was greater than was expected.

The company's bulletin points out that if each employe who has entered the plan subscribes an average of \$30 monthly, this, together with the company's addition of \$15 per month, means a monthly saving for the employes of about \$500,000, or \$30,000,000 for the five year period, which will be invested in the company's stock at market prices. Of the total, the company contributes \$10,000,000 and the employes save \$20,000,000. To this will be added the dividends on stock held by the trustees for the benefit of the employees.

Apprentices of Yale & Towne Manufacturing Company Exhibit Their Work

Annually the apprentices of the Yale & Towne Manufacturing Company hold an exhibit of their work. The theory, and also the practical side are shown in the note books, blue prints, and finished pieces of work which are neatly arranged for display on tables. The display is arranged with the first year's work nearest the door and the fourth year last.

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THE BELL TELEPHONE COMPANY OF PENNSYLVANIA, Philadelphia, Pa.	Mr. P. C. STAPLES
BERGER MANUFACTURING Co., THE, Canton, Ohio	Mr. J. H. WILSON
S. F. BOWSER & COMPANY, INC., Fort Wayne, Ind.	Mr. J. O. STEENDAAHL
BRIDGEPORT BRASS COMPANY, Bridgeport, Conn.	Mr. ROBERT H. BOOTH
BROOKLYN EDISON COMPANY, INC., Brooklyn, N. Y.	Mr. W. N. FENNINGER
THE BULLARD MACHINE TOOL Co., Bridgeport, Conn.	Mr. S. H. BULLARD
BURROUGHS ADDING MACHINE Co., Detroit, Mich.	Mr. F. H. DODGE
A. M. BYERS Co., Pittsburgh, Pa.	Mr. C. L. JAMISON
CARNEGIE STEEL Co., Pittsburgh, Pa.	Mr. JOHN MCLEOD
THE CHASE NATIONAL BANK, New York, N. Y.	Mr. EDWIN A. LEE
CHENEY BROTHERS, South Manchester, Conn.	Dr. C. C. BURLINGAME
CINCINNATI MILLING MACHINE COMPANY, THE, Oakley, Cincinnati	Mr. FRED A. GEIER
THE CLEVELAND-CLIFFS IRON COMPANY, Ishpeming, Mich.	Mr. W. H. MOULTON
COMMONWEALTH EDISON COMPANY, 72 W. Adams St., Chicago, Ill.	Mr. FRED R. JENKINS
COMMONWEALTH STEEL COMPANY, St. Louis, Mo.	Mr. ARTHUR T. MOREY
CONSOLIDATED GAS Co. of N. Y., 4 Irving Place, New York City	Mr. C. R. LAMMERT
COSDEN & COMPANY, Tulsa, Okla.	Mr. C. M. FENSTERMACHER
CURTIS COMPANIES, INC., Clinton, Iowa	Mr. C. D. PERRIN
DENNISON MANUFACTURING Co., Framingham, Mass.	Mr. C. E. SHAW
DODGE MANUFACTURING Co., Mishawaka, Ind.	Mr. MELVILLE W. MIX
HENRY L. DOHERTY & COMPANY, 60 Wall St., New York, N. Y.	Mr. L. F. FULD
R. R. DONNELLEY & SONS COMPANY, Plymouth Place, cor. Polk, Chicago, Ill.	Mr. T. E. DONNELLEY
THE DOW CHEMICAL COMPANY, Midland, Michigan	Mr. L. G. MORELL
E. I. DUPONT DE NEMOURS & Co., Wilmington, Delaware	Mr. WM. B. FOSTER
DURHAM HOSIERY MILLS, Durham, N. C.	Mrs. W. W. SHAW
EASTERN MANUFACTURING COMPANY, South Brewer, Me.	Miss ROSE L. SEARLES
EASTMAN KODAK Co., Rochester, N. Y.	Mr. P. W. TURNER
EQUITABLE LIFE ASSURANCE SOCIETY, New York, N. Y.	Mr. F. P. PITZER
ERIE RAILROAD COMPANY, 50 Church Street, New York, N. Y.	Mr. A. B. HOFF
FARMERS' LOAN & TRUST Co., New York, N. Y.	Mr. EDWIN S. MARSTON
FEDERAL RESERVE BANK OF CHICAGO, Chicago, Ill.	Miss ANNE DURHAM
FEDERAL RESERVE BANK OF NEW YORK, New York City	Mr. H. A. HOFF
FORD MOTOR COMPANY, Detroit, Mich.	Mr. F. E. SEARLE
GENERAL ELECTRIC COMPANY, Schenectady, N. Y.	Mr. H. G. REIST
GENERAL MOTORS CORPORATION, Detroit, Mich.	Mr. H. H. RICE
HABIRSHAW ELECTRIC CABLE COMPANY, INC., Yonkers, N. Y.	Mr. W. A. DEL MAR
H. J. HEINZ COMPANY, Pittsburgh, Pa.	Mr. HOWARD HEINZ
THE HOOVER SUCTION SWEEPER Co., North Canton, Ohio	Mr. MARTIN L. PIERCE
GEORGE A. HORMEL AND COMPANY, Austin, Minn.	Mr. JAY C. HORMEL
JOSEPH HORNE COMPANY, Penn and 5th Aves., Pittsburgh, Pa.	Mr. H. M. PHIFER
HYATT BEARINGS DIVISION, GENERAL MOTORS CORPORATION, New- ark, N. J.	Mr. T. W. ROBINSON
ILLINOIS STEEL Co., Chicago, Ill.	Miss ALICE MCCOY
ROBERT H. INGERSOLL & BRO., New York City	Mr. A. L. McLAUGHLIN
JONES & LAUGHLIN STEEL COMPANY, Pittsburgh, Pa.	Mr. EDGAR J. KAUFMANN
KAUFMANN DEPARTMENT STORES, INC., Pittsburgh, Pa.	Mr. JAMES S. HEDGES
KELLOGG, ANDREW H., Co., 141 East 25th St., New York, N. Y.	Mr. WALDEMAR KOPS
KOPS BROTHERS, Irving Place and 16th St., New York City	Mr. WILLIAM R. HEATH
LARKIN COMPANY, Buffalo, N. Y.	JOHN W. BAKER
LEVER BROTHERS Co., Cambridge, Mass.	Mr. FRANKLIN B. MEAD
LINCOLN NATIONAL LIFE INSURANCE Co., THE, Fort Wayne, Ind.	Mr. A. S. DONALDSON
R. H. MACY & Co., New York, N. Y.	Mr. P. C. HODGES
MARBLE CLIFF QUARRIES COMPANY, THE, Columbus, Ohio	Mr. W. F. ARNDT
MARSHALL WELLS Co., Duluth, Minn.	Mr. C. E. ESTES
THE MERCHANTS' LOAN AND TRUST COMPANY, Chicago, Ill.	Mr. RODNEY A. PEEBLES
MESTA MACHINE COMPANY, Pittsburgh, Pa.	Dr. LEE K. FRANKEL
METROPOLITAN LIFE INSURANCE Co., New York, N. Y.	Mr. R. B. BONNEY
THE MOUNTAIN STATES TELEPHONE & TELEGRAPH Co., Denver, Colorado	Mr. H. G. CARNELL
NATIONAL CASH REGISTER Co., THE, Dayton, O.	Mr. L. L. BRANTHOVER
NATIONAL CASKET COMPANY, 2166 Oliver Bldg., Pittsburgh, Pa.	WILLIAM M. HOGG
NATIONAL TUBE COMPANY, Pittsburgh, Pa.	Mr. THOMAS J. FEENEY
NEW ENGLAND TELEPHONE & TELEGRAPH COMPANY, Boston, Mass.	Mr. ARTHUR WILLIAMS
THE NEW YORK EDISON COMPANY, Irving Place and 15th St., New York City	